

***United States Court of Appeals
for the Second Circuit***



**BRIEF FOR
APPELLEE**

76-7513

To be argued by

DAVID H.T. KANE

United States Court of Appeals

FOR THE SECOND CIRCUIT

WEST & COMPANY, INC.,

Plaintiff-Appellant,

v.

ARICA INSTITUTE, INC.,

Defendant-Appellee,

v.

WEST & COMPANY, INC., STEVEN WEST, STEVEN WEST d/b/a
MACDONALD-WINCHESTER PUBLISHERS, and JONATHAN
ADVERTISING, INC.,

Counterclaim Defendants-Appellants.

ON APPEAL FROM THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

BRIEF ON BEHALF OF DEFENDANT-APPELLEE

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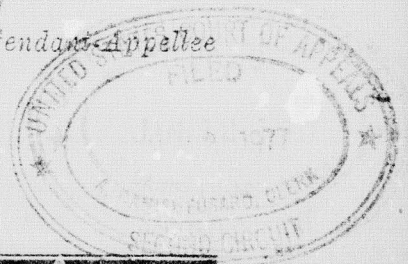


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I.

Statement of Issues

1. Is the coined term PSYCHOCALISTHENICS merely descriptive or is it a suggestive mark entitled to protection without proof of secondary meaning as found by the Patent and Trademark Office?
2. Was the determination of the Court below that the mark PSYCHOCALISTHENICS had acquired secondary meaning clearly erroneous?
3. Was the Court below correct in enjoining all use of PSYCHOCALISTHENICS by West?

The parties have stipulated the withdrawal of Arica's cross-appeal. The issues of damages and attorneys fees are now under consideration below in light of West's contempt of the District Court injunction.

II.

Statement of the Case

Some critical facts are omitted from West's Statement of the Case:

1. The District Court found that West began public use and promotion of the mark PSYCHOCALISTHENICS *after* seeing Arica's advertising for an exercise program under that mark and *after* attending an Arica PSYCHOCALISTHENICS course (Opinion R. 17a fn. 10; R. 161a-162a). West initially stated under oath that he noticed Arica advertisements for PSYCHOCALISTHENICS courses "during the early part of 1974" (West Aff. in Opposition to Motion for Preliminary Injunction, para. 8, p. 3). At trial, he claimed this date (as well as several others) to be a typographical error, alleging it was early 1975 when he read of Arica's use of PSYCHOCALISTHENICS and spring or summer 1975 when he took the Arica PSYCHOCALISTHENICS course (R. 116a, 160a, 161a). But even an "early 1975" date is well before West made public trademark use of PSYCHOCALISTHENICS in October 1975. Thus, West boldly moved ahead to publish and advertise his book and claim exclusive trademark rights in PSYCHOCALISTHENICS, all with knowledge of Arica's use of PSYCHOCALISTHENICS. (R. 161a-162a).

2. West proceeded with his advertising campaign for PSYCHOCALISTHENICS after receiving Arica's complaint. (R. 156a). Arica directed a notice of infringement to West on November 7, 1975—shortly after West's first advertisement

appeared (Kane Aff., Ex. A; Motion for Preliminary Injunction; R. 156a). West's investment in the teeth of Arica's protest cannot serve to add any equity to West's position.

3. West, who now claims that PSYCHOCALISTHENICS is merely descriptive and not entitled to trademark protection, deceptively held himself out to be the exclusive owner of a federal registration for PSYCHOCALISTHENICS. Although in fact West did not own a federal registration for the mark, he consistently and prominently used the ® symbol with PSYCHOCALISTHENICS. (See 15 U.S.C. §1111). Thus ® was placed by the title PSYCHOCALISTHENICS on West's book jacket (R. 424a), throughout the book and featured in West's advertising (R. 452a; DX E, DX F). West also sold a series of tape cassette lectures on smoking, weight loss and sexual potency under the mark PSYCHOCALISTHENICS® (DX-C; DX-D; DX-F; PX 1). When the improper use of the ® symbol was called to West's attention, he allowed this usage to continue unabated for over six months (R. 155a). Even after West advised the Court at trial that instructions were issued to discontinue the ®, the ® continued to appear in West advertisements (Opinion, R. 13a, f.n. 6).

4. The time period during which Arica developed its secondary meaning is not the single year suggested by West, but well over two years. West would like to determine secondary meaning as of the date West applied to register his mark with New York State. But this issue must be determined at the time West made a public trademark use of PSYCHOCALISTHENICS in the fall of 1975. The question is, what did PSYCHOCALISTHENICS mean to that particular group of consumers interested in the human potential movement when West *publicly* introduced his

PSYCHOCALISTHENICS book. Thus, the Court below properly considered the secondary meaning that had developed in PSYCHOCALISTHENICS over Arica's two years of exclusive, "continual and extensive" public use. (Opinion R. 16a-17a).

5. West's claim that he originated the mark PSYCHOCALISTHENICS is based on inconsistent testimony by West, by his former wife and by his business associate, all totally unsupported by documentary proof. In order to claim prior rights, West backdated his original sworn date of first use by more than two years. Thus, West initially stated under oath that his first use of PSYCHOCALISTHENICS was October 14, 1974 (see New York State and federal trademark applications, R. 427a-431a). After West was notified of Arica's 1973 date, he belatedly claimed a 1972 first use based on the alleged mention of the name PSYCHOCALISTHENICS to a few friends. The Court below found this informal, oral use insufficient to bestow trademark rights (Opinion, R. 18a), and West does not dispute this finding on appeal. However, this convenient backdating is typical of West's pattern of changing sworn testimony to buttress ever-shifting claims. See, for example, the so-called typographical errors noted at R. 161a, 166a-167a. This course of conduct belies the posture of good faith.

III.

Argument

A. Summary.

On the issue of suggestiveness vs. descriptiveness, Arica submits that the court below incorrectly disregarded the finding of validity by the Patent and Trademark Office. The Office's finding that the Arica mark PSYCHOCALISTHENICS was entitled to registration without proof of secondary meaning forms the basis for a rebuttable presumption of

validity. *Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F.2d 4, 11 (2d Cir. 1976). This presumption is in accord with West's own actions in claiming exclusive trademark rights to PSYCHOCALISTHENICS and with the various tests for distinguishing suggestive from merely descriptive marks.

There is nothing in the record to rebut the presumption that PSYCHOCALISTHENICS is a valid mark entitled to protection from infringement without proof of secondary meaning.

As to the trial court's determination that PSYCHOCALISTHENICS has acquired secondary meaning, West cannot evade the "clearly erroneous" stricture of Rule 52(a). Secondary meaning in the Second Circuit is indisputably a finding of fact, reversible only if shown to be clearly erroneous. *Speed Products Co. v. Tinnerman Products, Inc.*, 221 F.2d 61, 66 (2d Cir. 1955). Far from being clearly erroneous, the trial court's finding of secondary meaning is amply supported by the record. The exclusive association of PSYCHOCALISTHENICS with Arica is demonstrated by the testimony of a host of witnesses from the fields of publishing, teaching, mental health research, hospital administration and psychiatry. Many of these witnesses are completely independent of Arica. Secondary meaning finds further support in the attendance of tens of thousands of students at Arica's PSYCHOCALISTHENICS courses; the Arica literature used to promote the PSYCHOCALISTHENICS program; the widespread publicity accorded PSYCHOCALISTHENICS exercises in newspapers across the United States; the PSYCHOCALISTHENICS trainings given at hospitals and conventions; the \$300,000 grant by the National Institute of Mental Health for the study of PSYCHOCALISTHENICS exercises developed by Arica; and the PSYCHOCALISTHENICS cable TV program. This con-

tinual and extensive public exposure all occurred before the publication of West's book in October 1975.

There is nothing in the record to call for reversal of the finding of secondary meanings as "clearly erroneous".

As to the scope of the District Court injunction, this too is firmly grounded in the record. A number of expert witnesses from the publishing field testified unequivocally to the inability of disclaimers or the addition of corporate names to prevent confusion. This testimony is in accord with the law of this circuit. *A. T. Cross v. Jonathan Bradley Pens, Inc.*, 470 F.2d 689, 692 (2d Cir. 1972). Nor is there any equitable reason to allow West—an infringer who proceeded with full knowledge of Arica's claimed rights in PSYCHOCALISTHENICS—to make use of PSYCHOCALISTHENICS in any manner whatsoever.

B. Points of Argument.

1. The Coined Term PSYCHOCALISTHENICS Is a Suggestive Mark Entitled to Protection Without Proof of Secondary Meaning.

The various classes of trademarks capable of exclusive appropriation were recently outlined by this Court in *Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F.2d 4 (2d Cir. 1976). Those terms that do not immediately describe the qualities, ingredients or characteristics of the products to which they are applied are protectable *ab initio*—without proof of secondary meaning. *Id.* at 11. Such terms include arbitrary and fanciful names that have no meaning as applied to the specific goods, as well as suggestive marks. Suggestive marks may suggest the nature of class of the product but not *immediately* describe the ingredients, qualities or characteristics of the goods.

A suggestive term, unlike a term that is "merely descriptive", is entitled to protection without proof of sec-

ondary meaning. *Ibid.* However, even a "merely descriptive" mark will be protected upon a showing that the public has come to identify the mark with a single source, i.e. secondary meaning. *Miss Universe, Inc. v. Patricelli*, 408 F.2d 506 (2d Cir. 1969).

The court below found PSYCHOCALISTHENICS merely descriptive, but went on to conclude that sufficient secondary meaning was established to make PSYCHOCALISTHENICS a valid mark. (Opinion, R. 16a-17a).

While agreeing with the Court's ultimate holding, Arica submits that the finding of mere descriptiveness is not in accord with the law of this Circuit—particularly the principle that the Patent and Trademark Office determination of registrability without proof secondary meaning is presumptively valid. *Abercrombie & Fitch Co. v. Hunting World, Inc.*, *supra* at 11.

The Court below disregarded the Patent and Trademark Office allowance of PSYCHOCALISTHENICS on the grounds that West had indicated an intention to oppose issuance of the registration (Opinion, R. 16a, f.n. 9). But it is not the clerical issuing of a certificate of registration which forms the basis of the presumption—it is the Patent and Trademark Office finding that the mark is entitled to registration (without requiring proof of secondary meaning) which affords the rebuttable presumption of validity. *Abercrombie & Fitch Co. v. Hunting World, Inc.*, *supra*; *Union Carbide Corp. v. Ever-Ready, Inc.*, 531 F.2d 366, 379 (7th Cir. 1976). This finding is made at the time when the application is allowed and passed to publication and is independent of any subsequent opposition proceeding.

In the case of the Arica application for PSYCHOCALISTHENICS, Serial No. 36,254, there was an initial rejection by the Patent and Trademark Office on the grounds of mere

descriptiveness. Upon consideration of the case law cited by Arica in response to the rejection, the Patent and Trademark Office concluded that PSYCHOCALISTHENICS was not merely descriptive and "appears to be entitled to registration." (DX-V).

As the Court noted in *Abercrombie & Fitch Co. v. Hunting World, Inc.*:

"The decision of the Patent Office to register a mark without requiring proof of secondary meaning affords a rebuttable presumption that the mark is suggestive or arbitrary or fanciful rather than merely descriptive." *Supra* at 11.

West has offered nothing to rebut this presumption. On the contrary, the presumption is only strengthened by West's own open and notorious *trademark* claims to PSYCHOCALISTHENICS.

This is not a case where one side has made a descriptive, fair use of an ordinary English language term. On the contrary, West has gone on record in every possible way claiming exclusive trademark ownership of PSYCHOCALISTHENICS: Specifically:

- (a) West filed an application to register PSYCHOCALISTHENICS for a "program of development of mind ability" with New York State, Registration No. S 2921, issued November 18, 1975. (R. 426a; DX-A).
- (b) West filed an application to register PSYCHOCALISTHENICS with the United States Patent and Trademark Office, Application Serial No. 36,254. (R. 428a, DX-B).
- (c) West sued Arica for trademark infringement and unfair competition claiming ownership and exclu-

sive rights to the mark PSYCHOCALISTHENICS and alleging "great confusion has resulted and will continue to result" because of Arica's use of PSYCHOCALISTHENICS. (R. 25a).

- (d) West's book, entitled PSYCHOCALISTHENICS, uses the ® symbol prominently on the book jacket, throughout the book and in advertising. (R. 424a, PX-3). This holding out of PSYCHOCALISTHENICS as West's exclusive trademark, registered with the United States Patent and Trademark Office, continued despite West's belated claim of descriptiveness to avoid an injunction.

Having claimed the mark as a trademark in federal and state trademark applications; having sued Arica for trademark infringement; and having held the mark out to the public as a mark registered with the Patent and Trademark Office—West should not be permitted to take cover in the murky world of descriptiveness. In this suit, as between these parties, West cannot avail itself of the defense of descriptiveness. *Glamorene Products Corp. v. Boyle-Midway, Inc.*, 188 USPQ 145, 167 (SDNY 1975).

Not only do the Patent and Trademark Office finding and West's own actions compel a holding of trademark validity, other well-tried tests also indicate that PSYCHOCALISTHENICS is not merely descriptive.

In marking out the area of descriptive v. suggestive marks various principles have developed including:

- (a) A mark is not descriptive if it merely suggests the nature or class of the product on which it is used. *Feathercombs, Inc. v. Solar Products Corp.*, 306 F.2d 251, 255 (2d Cir. 1962) [FEATHERCOMBS for hair-retaining combs held not merely descriptive].

- (b) A mark is not descriptive if its exclusive appropriation will not deprive competition of appropriate language to describe their services. *Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F.2d 4, 10 (2d Cir. 1976).
- (c) The whole mark must be looked at—not its individual elements. *Minnesota Mining & Mfg. Co. v. Johnson & Johnson*, 454 F.2d 1179 (CCPA 1972) [SKINVISIBLE for plastic transparent bandages held not merely descriptive]; *Glamorene Products Corp. v. Boyle-Midway, Inc.* 188 USPQ 145, 164 SDNY 1975) [SPRAY 'N VAC for rug and carpet cleaner held not merely descriptive].
- (d) A mark is not descriptive if it is "somewhat nebulous", thus requiring a degree of imagination or further thought process to identify the exact goods or service—as opposed to "immediately" describing the products. See *In re Silva Mind Control International Inc.*, 173 USPQ 564 (TTAB 1972). [MIND CONTROL held to be a non-descriptive "nebulous" term, not indicating "with any degree of particularity the nature and character" of applicant's lecture series designed to achieve mental acuity. See also: *In re Psychological Resources Support Systems, Inc.* 183 USPQ 560 (TTAB 1974) [PSYCHOLOGICAL RESOURCES not merely descriptive of applicant's service of providing psychological evaluations, tests and reports].

In applying these principles here, we see that PSYCHOCALISTHENICS is a coined term—a term whose exclusive appropriation does not deprive competitors of ordinary English language usage—a term which may suggest, but

does not *immediately* describe the particular nature of the exercise program offered by Arica—or West.

Indeed, it is just because PSYCHOCALISTHENICS is not immediately descriptive, that newspapers throughout the United States publicizing articles on the Arica program found it necessary to use descriptive terms and phrases to explain the mark PSYCHOCALISTHENICS. For example:

1. "Psychocalisthenics (breathing and movement exercises) . . ." Guide to Aspen, Aspen, September, 1973 (DX L p. 3).
2. ". . . psychocalisthenics—stretching and breathing exercises . . ."—Recorder, Menlo Park, California, March 13, 1974. (DX L p. 4).
3. ". . . psychocalisthenics (physical exercises coordinating movement and breathing) . . ." Cin City Strip, May 1974. (DX L p. 6).
4. ". . . Psychocalisthenics—exercises used to harmonize body and breathing." Dekalb New Era, Decatur, Georgia, August 22, 1974. (DX L p. 8).
5. "... 'psychocalisthenics' . . . energetically performed yoga exercises . . ." Village Voice, January 27, 1975. (DX L p. 16)
6. "... 'psychocalisthenics,' a kind of free-flow series of exercises . . ." New York Daily News, August 13, 1975. (DX L p. 23).

While it is true that the distinction between suggestive and descriptive marks is often difficult to draw, it is for this very reason that the Patent and Trademark Office determination should be respected:

"... it [the distinction between suggestive and descriptive marks] is often a difficult distinction to draw

and is, undoubtedly, often made on an intuitive basis rather than as the result of a logical analysis susceptible of articulation. This only emphasizes the need to give due respect to the determinations of the Patent Office if the distinction is to be drawn in a consistent manner." *Union Carbide Corp. v. Ever-Ready, Inc.*, *supra*, 531 F.2d at 379.

2. The Court Below Correctly Found That PSY-CHOCALISTHENICS Had Acquired Secondary Meaning.

(a) The Clearly Erroneous Rule Applies.

West argues that Rule 52(a) F.R.C.P. providing that findings of fact shall not be reversed unless "clearly erroneous" does not apply here (West Appeal Br. p. 9). This is so, according to West, because the proof of secondary meaning is based in large measure on exhibits and the testimony of interested witnesses. (*Ibid.*)

But the two cases cited by West do not remotely support this proposition. In *Harold F. Ritchie, Inc. v. Chesebrough-Ponds, Inc.*, 281 F.2d 755 (2d Cir. 1960), secondary meaning was not even at issue. The issue on appeal was likelihood of confusion. As to that issue, the Appeal Court considered itself to be "in as good a position as the trial judge. . . ." to make a determination. *Id.* at 759.

As to *Surgical Supply Service, Inc. v. Adler*, 321 F.2d 536 (3rd Cir. 1963), this authority does not come from the Second Circuit and, again, secondary meaning was not at issue. Rather, the disputed findings concerned (1) intentional copying; (2) likely confusion; and (3) actual confusion—all of which were based on exhibits and the uncontradicted testimony of a *single* witness. *Id.* at 538-539. In the case at bar, the trial court heard 16 witnesses, 11 of whom testified on behalf of Arica.

Compare West's so-called "authority" with the unequivocal pronouncement of the Second Circuit that secondary meaning is a question of fact to which the clearly erroneous rule applies:

"Whether a particular trademark has acquired a secondary meaning is a question for the trier of facts. [citations omitted]. Again Rule 52(a) comes into play: we cannot reverse the lower court unless its findings of fact are clearly erroneous. . . ." *Speed Products Co. v. Tinnerman Products, Inc.*, 222 F.2d 61, 66 (2d Cir. 1955).

Nor does West's argument that the testimony of "interested witnesses" is somehow immune from Rule 52(a) make sense. As to interested witnesses, the trial judge is in the best position to judge demeanor and credibility. Moreover, the testimony most heavily relied on by the trial judge came from disinterested witnesses (Opinion R. 17a).

**(b) *The Finding of Secondary Meaning
Is Not Clearly Erroneous***

West completely ignores the substantial testimony of independent witnesses on which the trial court's finding of secondary meaning was based. The court below found:

"Those knowledgeable in the field of humanistic psychology have testified that they associate the word PSYCHOCALISTHENICS with Arica Institute." (Opinion R. 17a).

Included among those knowledgeable in the field of humanistic psychology is the well-known author George Goodman, writing under the pen name Adam Smith. Mr. Goodman, after publication of his best seller "The Money Game", took a year off to study the human potential movement (R. 237a). Based on this research, he wrote another best

seller "Powers of the Mind" (DX-O) published in October 1975. (R. 441a-443). Mr. Goodman clearly associates PSYCHOCALISTHENICS with Arica Institute (R. 442a). Mr. Goodman testified that when he saw an ad for the West PSYCHOCALISTHENICS book in the Wall Street Journal:

"I knew that Arica was planning to publish some sort of pamphlets or books or courses themselves, and I assumed that they were about to bring out or were bringing out their book of the Arica Gym." (R. 239a-240a).

Further persuasive testimony came from Moshe Davidowitz, a teacher and researcher in the field of humanistic psychology (R. 358a-359a). From 1971-1974, Mr. Davidowitz administered a program in humanistic psychology at New York University, one of the largest programs in the city if not the country (R. 358a). He is currently coordinator for the Eastern Region of the Association for Humanistic Psychology with a regional membership of over 2,000 (R. 359a). Mr. Davidowitz identified PSYCHOCALISTHENICS exclusively with the Arica organization:

"But in my reading and my discussions and in my research, Arica is a very significant factor in the humanistic psychologies and PSYCHOCALISTHENICS is one of their main systems.

Q. In your work running NYU programs and in your other work over the years, have you ever heard of anyone but Arica using the name PSYCHOCALISTHENICS?

A. No, not to my knowledge at all." (R. 363a).

When Mr. Davidowitz encountered the West PSYCHOCALISTHENICS book, his immediate assumption was that it

was associated with Arica (R. 364a). West makes much of the fact that after further study, Mr. Davidowitz concluded that the book was not connected with Arica—but as the Court below noted, this is irrelevant (Opinion R. 364a, f.n. 15). See *Grotrian, Helfferich, Schultz, Th. Steinweg Nachf. v. Steinway & Sons*, 365 F.Supp. 707, 716 (SDNY 1973), *aff'd as modified*, 523 F.2d 1331, 1342 (2d Cir. 1975). Also, those less expert than Mr. Davidowitz may not reach this conclusion—or may buy the West book first and see no reason to purchase another book with the title PSYCHOCALISTHENICS.

The testimony of Morris Squire, President of two hospitals in Des Plaines, Illinois and Springfield, Missouri, and instructor in the Department of Psychiatry at the University of Illinois, also supports the association of the mark PSYCHOCALISTHENICS with Arica. Mr. Squire participated in a demonstration of PSYCHOCALISTHENICS by Arica at the 1974 New Orleans meeting of the American Humanistic Psychology Association (R. 225a). He subsequently entered into a contract with Arica whereby Arica provided instruction in PSYCHOCALISTHENICS exercises for patients at the Forest Hospital in Des Plaines (DX-N) (R. 227a). Patients at this hospital perform PSYCHOCALISTHENICS exercises daily and are supervised by personnel trained by Arica. (*Ibid.*). Mr. Squire, like Arica's other witnesses, has only heard of PSYCHOCALISTHENICS in association with Arica (R. 228a). When he heard about a book entitled PSYCHOCALISTHENICS, he assumed it was by Arica (*Ibid.*).

Additional public recognition of PSYCHOCALISTHENICS is evident from the National Institute of Mental Health grant. Mr. Robert Horn, a researcher with teaching experience at Harvard and Columbia, testified that the National Institute of Mental Health had given approval to a \$300,000 grant for the study of the use of PSYCHOCALISTHENICS in

connection with the rehabilitation of mental patients (DX GG; DX HH; R. 343a-344a). The grant proposal, submitted in February 1975, is entitled "A Study of PSYCHOCALISTHENICS" (R. 341a).

Mr. Horn explained how confusing it would be to have a different program (such as Steven West's) also identified by the name PSYCHOCALISTHENICS (R. 347a).

Thus, we have wide ranging testimony from recognized experts: authors, teachers, researchers and hospital administrators to the exclusive association of PSYCHOCALISTHENICS with Arica. The trier of facts is in the best position to judge the demeanor, qualifications and credibility of these witnesses and weigh their testimony accordingly. The finding of secondary meaning is firmly grounded in this unrefuted evidence.

Aside from the testimony noted above, the finding of secondary meaning is clearly supported by other facts of record including:

1. In the last six months of 1973, at least fifteen to sixteen thousand (15,000 to 16,000) students were exposed to PSYCHOCALISTHENICS exercises in short classes at Arica. Seven hundred (700) students were exposed to PSYCHOCALISTHENICS exercises in forty-day trainings given by Arica and seven hundred (700) students were exposed to PSYCHOCALISTHENICS exercises in advanced trainings given by Arica. (R. 210a-211a).

2. In 1974, thirty thousand (30,000) Arican students received training in PSYCHOCALISTHENICS exercises in small classes; fifteen hundred (1,500) students received PSYCHOCALISTHENICS exercise training in forty-day training programs and nine hundred to eleven hundred (900 to 1,100)

students received training in PSYCHOCALISTHENICS exercises in Arica's advanced training programs. (R. 211a).

3. Arica maintains a computerized mailing list containing fifty thousand (50,000) names. Each individual on the mailing list has received at least one piece of literature referring to the mark PSYCHOCALISTHENICS since 1973. (R. 211a).

4. Tens of thousands of individuals have been exposed to Arica's PSYCHOCALISTHENICS exercises through Arica's New York cable television program (running daily from June through December 1974) (DX-Q, R; R. 265a); through PSYCHOCALISTHENICS trainings given at the Association of Humanistic Psychology conventions in New Orleans, Louisiana and Atlantic City, New Jersey (DX BB and DX II) and trainings given to staff and patients at San Francisco General Hospital (DX L, p. 5), Forrest Hospital, Des Plaines, Illinois (DX N) and to members of community centers and students at high schools and colleges throughout the United States. (R. 325a, 360a-361a, 362a-363a, 227a-228a).

5. Approximately three hundred thousand dollars (\$300,000) has been invested in advertisements and promotions for Arica's programs including PSYCHOCALISTHENICS (R. 272a). Sample promotional material for PSYCHOCALISTHENICS courses are found in DX-K, M, P, U, X, Y, Z and AA.

6. Widespread publicity has been accorded the PSYCHOCALISTHENICS program throughout the United States. Thus, we have articles in the Honolulu Advertiser as early as July 1973, The Guide to Aspen, September 1973; The San Francisco Chronicle, May 1974; The Daily Mail, Anderson,

South Carolina, July 1974; The Atlanta Constitution, The Boston Phoenix, The DeKalb New Era, Decatur, Georgia, August 1974; and other papers in Texas, New York, Michigan and Chicago—all before publication of West's book. (R. 444a-445a; DX-L).

Public recognition of PSYCHOCALISTHENICS as a result of this publicity is found in the testimony of Michael Korda, Editor-in-Chief and member of the Board of Directors of Simon & Schuster. Mr. Korda heard of PSYCHOCALISTHENICS even before he knew of Arica (R. 373a-374a). Members of Mr. Korda's staff forwarded clippings to his attention referring to the PSYCHOCALISTHENICS program (R. 322).

It was after this that Simon & Schuster contracted to publish the Arica PSYCHOCALISTHENICS book (R. 374a). Mr. Korda noted that the Arica book (which has since been published) encountered sales resistance even before introduction because of the West PSYCHOCALISTHENICS book (R. 375a).

West makes much of the alleged shortness of time during which PSYCHOCALISTHENICS was used before West's infringement.* But the Court below was well aware of "the relatively short time span" involved (Opinion, R. 16a). Nor is there any "... particular length of time within which secondary meaning is established. The key is whether it has been attained, not in how long or short a time this was done. *Barton v. Rex-Oil Co.*, 2 F.2d 402, 405 (3rd Cir. 1924)." *John Wright, Inc. v. Casper Corp.*, 191 USPQ 369, 389 (E.D.Pa. 1976). Here, where the field is a relatively narrow one with wide word-of-mouth dissemination among the interested public (R. 279a-280a), and where

* As indicated *supra*, the period is over two years (from June 1973 through October 1975) rather than the one year asserted by West.

we have substantial testimony from independent witnesses, there is no clear error in finding that "continual and extensive publication" of PSYCHOCALISTHENICS "has been sufficient to establish secondary meaning". (Opinion R. 17a).

**(c) *The Protection of Secondary Meaning
in the Making.***

As an alternative ground of relief, the court below noted that a mark in the process of developing secondary meaning should be protected against those with knowledge of its potential or with an intent to capitalize on its quality (Opinion R. 17a, fn. 10). *National Lampoon, Inc. v. American Broadcasting Companies, Inc.*, 376 F.Supp. 733, 747 (SDNY 1974), *aff'd*. 497 F.2d 1343 (2d Cir. 1974); 3 Callman, *Unfair Competition Trademarks and Monopolies*, (3rd Ed. 1971) p. 356.

West argues that as an innocent infringer, this principle does not apply to him (West Appeal Br., p. 11). However, the court below expressly found that West had knowledge of Arica's use in the spring of 1975 before he proceeded with publication and advertisement of his PSYCHOCALISTHENICS book. (Opinion R. 17a fn. 10).

Moreover, from November 1975 on, when West was served with Arica's notice of infringement, he continued claiming trademark rights in PSYCHOCALISTHENICS (*Ibid.*). West cannot clothe himself in the garb of a good faith infringer making a merely descriptive use of a common English language word.

**3. The Court Below Correctly Enjoined All Use
of PSYCHOCALISTHENICS by West.**

West argues that the first user should not be permitted to wholly appropriate to itself "descriptive words which are commonly used so as to exclude the rest of the world" (West

Appeal Br., p. 20). According to West, he should be permitted at least some partial use of PSYCHOCALISTHENICS.

But PSYCHOCALISTHENICS is not a descriptive word in common use. The District Court found not one shred of evidence of third party use of PSYCHOCALISTHENICS (Opinion R. 18a, f.n. 11).

The mark PSYCHOCALISTHENICS does not appear in any dictionary and is not part of the common English vernacular (R. 185a-186a, 239a-240a, 345a). West's witness, Finnell, a self-styled student of the human potential movement, searched his apartment for literature showing third party uses of PSYCHOCALISTHENICS. He was able to find only a single use of PSYCHOCALISTHENICS in an Esalen catalog (R. 68a-68b). As the trial court found, this reference referred to the Arica PSYCHOCALISTHENICS training course given by Arica trained instructors at the Esalen Institute (Opinion R. 18a, fn. 11; R. 188a).

The generic words used to describe Arica's PSYCHOCALISTHENICS exercises are: psychophysical exercises, mechanical exercises and hatha yoga exercises (R. 347a; DX L). These are words readily available to West to describe his program.

There is no reason why West need make any use of PSYCHOCALISTHENICS. There is no equity that weighs on the side of permitting such use. West's repeated characterization of himself as a good faith infringer was seriously questioned by the court below (Opinion R. 23a) and West's subsequent contempt of the Court's injunction has dispelled any possible doubt as to West's supposed good faith.

West argues that confusion will be avoided by the use of corporate names and/or disclaimers in connection with the mark PSYCHOCALISTHENICS. However, these devices are not a solution to the problem of confusion.

(a) Disclaimers Do Not Prevent Confusion.

In *Phillips v. Governor & Co.*, 79 F.2d 971 (9th Cir. 1935), the court enjoined the use of the name Hudson Bay Fur Company even though for many years the defendant had used the disclaimer "not connected with the Hudson Bay Co. of Canada" on its sign.

As the witnesses in this case have testified, disclaimers are rarely effective:

HORN—"I don't think people read too many disclaimers. . . . What I hear happening is a specific term which has been used by Arica, in a sense somebody else trying to make it a generic term. (R. 348a).

Mr. Horn's analysis is correct. If both Arica and West are permitted to continue simultaneous use of the mark PSYCHOCALISTHENICS with or without disclaimer, the mark will become generic in the sense of having lost its association with a single source of origin, namely, Arica.

George Goodman (Adam Smith) described the inefficacy of disclaimers succinctly when he stated:

"I don't believe in disclaimers. Disclaimers are very rarely effective. If disclaimers were effective—you know yourself the effects of the printing on the side of a pack of cigarettes". (R. 252a).

Michael Korda, the editor-in-chief of Simon & Schuster, testified that disclaimers are not considered effective in the book industry because books are impulse purchase items. When asked if a disclaimer would be effective in this case, Mr. Korda stated:

"No, I don't think it will eliminate confusion. I think there is even a certain danger that it will add to confusion." (R. 375a-376a).

**(b) Use of Arica and West Cannot
Eliminate Confusion.**

West argues that use of the housemark Arica (or the name West) in association with PSYCHOCALISTHENICS will eliminate confusion. But, the law is clearly to the contrary. *A.T. Cross Co. v. Jonathan Bradley Pens, Inc.*, 470 F. 2d 689, 692 (2nd Cir. 1972):

"Addition of the words 'by Bradley' does not save the day; a purchaser could well think that plaintiff had licensed defendant as a second user and the addition is thus 'an aggravation.'" (citations omitted)

See also *Miles Shoes Inc. v. R.H. Macy & Co.*, 199 F. 2d 602 (2nd Cir. 1952), where the insertion of the name Miles before the infringing mark GROPALS did not end the possibility of confusion with Macy's mark GRO-SHOE.

The law recognizes that the second trademark may often be the only means the purchaser uses to identify the product. The corporate name or housemark will not always be noticed. *Jacobs v. Beecham*, 221 U.S. 263, 272 (1911). And even if noticed, it may be omitted in the all important word of mouth situation.*

"It is not only on the shelves that the two products are advertised; radio and newspaper ads, as well as word of mouth, may carry an advertising message. In those media distinctive labels will be absent, and Hills Bros. will probably be referred to as HILLS making confusion virtually certain." *Hills Bros. Coffee, Inc. v. Hills Supermarkets, Inc.*, 428 F.2d 379, 381 (2d Cir. 1970).

* Over 50% of Arica students have been drawn to Arica's programs by word of mouth (R. 279a-280a).

Thus, the public is likely to speak of the PSYCHOCALISTHENICS program, not Arica PSYCHOCALISTHENICS. Consumers will have no way of knowing if the PSYCHOCALISTHENICS exercise program recommended by their friends is the Arica program or the West program.

As to those members of the public who do notice and recognize West's corporate name, the "... natural interpretation would be that [West] had bought the original business out and was carrying it on" (*Jacobs v. Beecham, supra,*) or that "[Arica] had licensed [West] as a second user" (*A. T. Cross Co. v. Jonathan Bradley Pens, Inc., supra,*) or that West's book is somehow sponsored by or associated with Arica. This confusion has already occurred (R. 239a-240a, 364a, 228a).

The addition of corporate names is no answer. As Mr. Korda testified:

... my own feeling is if you are in that kind of situation what happens is the purchaser doesn't buy either of the books, because faced with that kind of confusion, you go in and ask for a book called Psychocalisthenics and the book store owner says, "There are two books, the Arica book and the West book. Is it the one by Doubleday or Simon & Schuster? Which one do you want?", the thing is they would say, "I don't want either." (R. 380a-381a).

IV.

CONCLUSION

Both parties to this action are offering systems of exercises through books, lecture programs, recordings, media advertising and public appearances in person and on television and radio.

If West is permitted to continue the use of PSYCHOCALISTHENICS in any manner, it is inevitable that the systems, teachings and entire identity and integrity of the Arica PSYCHOCALISTHENICS program will be confused with West's activities conducted under the same name. Arica will have been robbed of an identifying symbol with which to continue its work. Arica's three hundred thousand dollar (\$300,000) investment in the advertising and promotion of the mark will be lost, together with the invaluable good will associated with the mark. The Court below properly enjoined all use of the mark PSYCHOCALISTHENICS by West to prevent further public confusion and damage to Arica.

The decision below should be affirmed.

Respectfully submitted,

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